

JUDICIAL EXPENSE FUND
FIRST JUDICIAL DISTRICT COURT, CADDO PARISH
DECEMBER 31, 2008

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7/15/09

JUDICIAL EXPENSE FUND
FIRST JUDICIAL DISTRICT COURT
CADDO PARISH, LOUISIANA

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MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Our discussion and analysis of the financial performance of Judicial Expense Fund for the First Judicial District Court provides an overview of the Fund's financial activities for the fiscal years ended December 31, 2008 and 2007. Please read it in conjunction with the Fund's financial statements, which begin on Page 3.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The *Statement of Net Assets* and the *Statement of Activities* (on Pages 3 and 4) provide information about the activities of the Fund as a whole. Fund financial statements start on Page 5. For governmental activities, these statements tell how these services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the Fund's operations in more detail than the government-wide statements by providing information about the Fund's most significant funds. The accompanying financial statements present information only on the funds maintained by the Judicial Expense Fund.

Reporting the Funds Maintained by the Judicial Expense Fund as a Whole

The Statement of Net Assets and the Statement of Activities

Our analysis of the funds maintained by the Judicial Expense Fund as a whole begins on Page 3. The *Statement of Net Assets* and the *Statement of Activities* report information about the funds maintained by the Fund as a whole and about its activities. These statements include all assets and liabilities using the accrual basis of accounting.

These two statements report the Fund's *net assets* and changes in them. The Fund's net assets - the difference between assets and liabilities - is one way to measure the Fund's financial health, or *financial position*. Over time, *increases or decreases* in the Fund's net assets are one indicator of whether its financial health is improving or deteriorating.

In the *Statement of Net Assets* and the *Statement of Activities*, we record the activities in the funds maintained by the Judicial Expense Fund as governmental activities:

Governmental activities - expenses related to, and resources provided for, administering the First District Court.

Reporting the Most Significant Funds Maintained by the Judicial Expense Fund

Our analysis of the major funds maintained by the Fund begins on Page 5. The fund financial statements provide detailed information about the most significant funds maintained by the Fund - not necessarily the Fund as a whole. The funds of the Judicial Expense Fund use the following accounting approaches.

Governmental fund - All of the Fund's expenses are reported in a governmental fund, which focuses on how money flows into and out of this fund and the balances left at year-end that are available for spending.

This fund is reported using an accounting method called *modified accrual basis*. The governmental fund statements provide a detailed *short-term view* of the Fund's operations and the expenses paid from the fund. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance certain Fund expenses. However, because the Fund

recovers the costs of personnel compensated absences from local governments, these governmental fund statements include accrued compensated absences liabilities. Consequently, there are no differences between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and the governmental fund financial statements.

THE FUNDS MAINTAINED BY THE JUDICIAL EXPENSE FUND AS A WHOLE

The Judicial Expense Fund's total net assets changed from a year ago, increasing from \$550,052 to \$623,869. This increase amounted to \$73,817, or 13.4%. Current assets increased significantly during the year, as investments increased due to the excess of revenues over expenditures.

Table 1
Net Assets

	<u>Government-Wide Activities</u>	
	<u>2008</u>	<u>2007</u>
Current assets	638,261	557,080
Current liabilities	<u>14,392</u>	<u>7,028</u>
Net assets:		
Unreserved and undesignated	<u>623,869</u>	<u>550,052</u>

Table 2
Changes in Net Assets

	<u>Government-Wide Activities</u>	
	<u>2008</u>	<u>2007</u>
Revenues		
Fees	181,167	179,739
Other	<u>26,239</u>	<u>29,147</u>
Total revenues	207,406	208,886
Expenses		
General governmental	<u>133,589</u>	<u>145,568</u>
Increase in net assets	<u>73,817</u>	<u>63,318</u>

For the funds maintained by the Judicial Expense Fund, total revenues increased \$1,480, from total revenues in 2007 of \$208,886, to total revenues of \$207,406 in 2008. This increase was mainly the result of the receipt of additional interest income during the year.

In addition, total expenses decreased by \$11,979, from \$145,568 in 2007, to \$133,589 in 2008.

CONTACTING THE JUDICIAL EXPENSE FUND'S FINANCIAL MANAGEMENT

This financial report is designed to provide our readers with a general overview of the finances for those funds maintained by the Judicial Expense Fund and to show the Fund's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact the Judicial Expense Fund of the First Judicial District Court, Caddo Parish, 501 Texas Street, Room 300E, Shreveport, LA 71101.

AUDITED FINANCIAL STATEMENTS

HEARD McELROY & VESTAL

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June 19, 2009

Honorable Charles R. Scott, Chief Judge
Judicial Expense Fund for the First Judicial
District Court
Caddo Parish, Louisiana

Independent Auditor's Report

We have audited the component unit financial statements of the governmental activities and each major fund of the Judicial Expense Fund for the First Judicial District Court as of December 31, 2008, and for the year then ended, which collectively comprise the Fund's basic financial statements, as listed in the table of contents. These component unit financial statements are the responsibility of management of the Judicial Expense Fund for the First Judicial District Court. Our responsibility is to express an opinion on these component unit financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the component unit financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the component unit financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall component unit financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the component unit financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Judicial Expense Fund for the First Judicial District Court as of December 31, 2008, and the results of its operations for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2009, on our consideration of the Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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The accompanying required supplementary information, consisting of management's discussion and analysis on Pages i through iii and budgetary comparison information on Pages 12 and 13 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Hard, McElroy & Vostal, LLP

JUDICIAL EXPENSE FUND FOR THE FIRST
JUDICIAL DISTRICT COURT, CADDO PARISH, LOUISIANA
STATEMENT OF NET ASSETS
DECEMBER 31, 2008

<u>ASSETS</u>	<u>Governmental Activities</u>
Cash and cash equivalents-Note 2	31,998
Investments-Note 7	594,882
Receivables-Note 3	<u>11,381</u>
Total assets	<u>638,261</u>
 <u>LIABILITIES AND NET ASSETS</u>	
<u>Liabilities:</u>	
Accounts payable	<u>14,392</u>
Total liabilities	14,392
 <u>Net assets:</u>	
Unreserved	<u>623,869</u>
Total net assets	<u>623,869</u>
 Total liabilities and net assets	<u>638,261</u>

The accompanying notes are an integral part of the financial statements.

JUDICIAL EXPENSE FUND FOR THE FIRST
JUDICIAL DISTRICT COURT, CADDO PARISH, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008

Expenses:

Governmental activities:

Salaries and related benefits	30,717
Books and subscriptions	29,954
General administration	<u>72,918</u>
Total expenses	133,589

Program revenue:

Criminal fees	71,608
Civil fees	<u>109,559</u>
Total program revenue	<u>181,167</u>

<u>Net revenue</u>	47,578
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General revenue:

Interest and investment income	<u>26,239</u>
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<u>Change in net assets</u>	73,817
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<u>Net assets-beginning of year</u>	<u>550,052</u>
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<u>Net assets-end of year</u>	<u>623,869</u>
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The accompanying notes are an integral part of the financial statements.

JUDICIAL EXPENSE FUND FOR THE FIRST
JUDICIAL DISTRICT COURT, CADDO PARISH, LOUISIANA
BALANCE SHEET-GOVERNMENTAL FUNDS
DECEMBER 31, 2008

<u>ASSETS</u>	<u>General Fund</u>
Cash and cash equivalents-Note 2	31,998
Investments-Note 7	594,882
Receivables-Note 3	<u>11,381</u>
Total assets	<u>638,261</u>
 <u>LIABILITIES AND FUND EQUITY</u>	
<u>Liabilities:</u>	
Accounts payable	14,392
<u>Fund equity:</u>	
Fund balance-unreserved	<u>623,869</u>
Total liabilities and fund equity	<u>638,261</u>

The accompanying notes are an integral part of the financial statements.

JUDICIAL EXPENSE FUND FOR THE FIRST
JUDICIAL DISTRICT COURT, CADDO PARISH, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

<u>Revenues:</u>	
Criminal fees	71,608
Civil fees	109,559
Interest income	<u>26,239</u>
Total revenues	207,406
<u>Expenditures:</u>	
General government-judicial:	
Salaries and related benefits	30,717
Books and subscriptions	29,954
General administration	<u>72,918</u>
Total expenditures	<u>133,589</u>
<u>Excess of revenues over expenditures</u>	73,817
<u>Fund balance at beginning of year</u>	<u>550,052</u>
<u>Fund balance at end of year</u>	<u>623,869</u>

The accompanying notes are an integral part of the financial statements.

JUDICIAL EXPENSE FUND FOR THE FIRST
JUDICIAL DISTRICT COURT, CADDO PARISH, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2008

Introduction

The Judicial Expense Fund for the First Judicial District Court was established by Louisiana Revised Statutes 13:996.16-18 for the purpose of administering the district court or the offices of the individual judges of the court. Operations of the Judicial Expense Fund for the First Judicial District Court are funded by court costs on criminal charges and costs on civil suits that are not exempted from court costs.

1. Summary of Significant Accounting Policies

A. Basis of Presentation

The accompanying financial statements of the Judicial Expense Fund have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and reporting principles. The accompanying financial statements have been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, issued in June 1999.

The financial statements include:

- A Management Discussion and Analysis (MD&A) section providing an analysis of the Fund's overall financial position and results of operations.
- Governmental-Wide Financial statements.
- Fund Financial Statements

The Judicial Expense Fund's basic financial statements include both Government-Wide (reporting the Fund as a whole) and fund financial statements (reporting the Fund's major funds). Both the Government-Wide and Fund Financial Statements categorize primary activities as either governmental or business type. The Judicial Expense Fund's functions and programs have been classified as governmental activities. The Fund does not have any business-type activities, fiduciary funds, or any component units that are fiduciary in nature. Accordingly, the Government-Wide financial statements do not include any of these activities or funds.

In the Government-Wide Statement of Net Assets, the governmental type activities are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

1. Summary of Significant Accounting Policies (Continued)

The Government-Wide Statement of Activities reports both the gross and net cost of the Fund's functions and significant programs. The Statement of Activities begins by presenting gross direct and indirect expenses and then reduces the expenses by related program revenues, such as operating and capital grants and contributions, to derive the net cost of each function or program. Program revenues must be directly associated with the function or program to be used to directly offset its cost.

The Government-Wide Statements focus upon the Judicial Expense Fund's ability to sustain operations and the change in its net assets resulting from the current year's activities.

The financial transactions of the Judicial Expense Fund are reported in individual funds in the Fund Financial Statements. The General Fund is the entity's primary operating fund. It accounts for all financial resources of the Fund, except those required to be accounted for in another fund. It is the only fund on the Judicial Expense Fund's financial statements and therefore, the only major fund.

Governmental fund equity is called the fund balance. Fund balance is further classified as reserved and unreserved, with unreserved being further split into designated and undesignated. Reserved means that the fund balance is not available for expenditure because resources have already been expended (but not consumed), or a legal restriction has been placed on certain assets that makes them only available to meet future obligations. Designated fund balances result when management tentatively sets aside or earmarks certain resources to expend in a designated manner. In contrast to reserved fund balances, designated amounts can be changed at the discretion of management.

Measurement Focus and Basis of Accounting:

Basis of accounting refers to when revenues and expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Government fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict

1. Summary of Significant Accounting Policies (Continued)

with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The Judicial Expense Fund has elected not to follow subsequent private-sector guidance because it does not have any business-type activities or enterprise funds.

B. Budget

The Judicial Expense Fund adopts an annual budget for the General Fund for management control purposes. The budget was prepared on the modified accrual basis of accounting and was adopted in December 2006. The budget is adopted and amended, as necessary, by the district judges. All appropriations contained in the budget lapse at year end, and encumbrance accounting is not used by the Fund.

C. Cash and Cash Equivalents and Investments

Cash includes amounts in demand deposits, interest bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits. Under state law, the Judicial Expense Fund may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. The fund may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their maturities at purchase exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

D. Compensated Absences

Employees of the Judicial Expense Fund for the First Judicial District Court work for a one-year period as law clerks. These employees receive two weeks of paid vacation leave each year and eight hours of sick leave each month. Vacation leave may be accumulated only if the law clerk is employed for a second year. Employees are not compensated for any unused vacation or sick leave upon separation of service. At December 31, 2008, there are no material accumulated and vested leave benefits that require disclosure or accrual to conform with accounting principles generally accepted in the United States of America.

2. Cash and Cash Equivalents

At December 31, 2008, the Judicial Expense Fund had cash and cash equivalents (book balances) totaling \$31,998 in the Caddo Parish Commission cash and investment pool.

Cash and cash equivalents are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or pledge of qualifying securities owned by the bank. The market value of the qualifying pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the bank. At December 31, 2008, deposit balances (bank balances) are fully secured by federal deposit insurance and qualified pledged securities of \$31,998. Information on the aggregate deposits of the Caddo Parish Commission and how they are secured is available in the financial statements of the Caddo Parish Commission.

3. Receivables

The following is a summary of receivables at December 31, 2008:

<u>Class of Receivable</u>	
Criminal fees	4,286
Civil fees	<u>7,095</u>
Total receivable	<u>11,381</u>

4. Pension Plan

Judges of the district court are members of the State Employees Retirement System of Louisiana. Salaries of the judges and the employer's portion of retirement contributions are paid by the State Supreme Court and are not included in the accompanying financial statements.

Employees (law clerks) of the First Judicial District Court are members of the Parochial Employees Retirement System of Louisiana (System), a multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees. Generally, all full-time employees are eligible to participate in the System, with employee benefits vesting after 10 years of service. Although employees (law clerks) of the Fund are appointed for one-year terms as law clerks, they are required to become members of the System, and are required to contribute to the System; however, the employees do not remain in the System for sufficient time to become vested. Pension costs for the employees of the Fund are reported in the accompanying financial statements.

The System is composed of two distinct plans (Plan A and Plan B) with separate assets and benefit provisions. For the year ended December 31, 2008, the total payroll was \$22,000, of which one employee was covered under Plan A. The statutorily required contribution by the Judicial Expense Fund for the year ended December 31, 2008 for Plan A, was \$2,915.

Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with 25 years of creditable service, or at any age with at least 30 years of creditable service, are entitled to a retirement benefit, payable monthly for life, equal to 3 per cent of their final-average salary for each year of creditable service. The System also provides death and disability benefits. Benefits are established by state statute.

Contributions to the System include one-fourth of one per cent of the taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge Parishes. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. State statute requires covered employees of Plan A to contribute a percentage of their salaries to the System. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by an actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. During 2008, the Fund was required to contribute 13.25% of the salary of each employee covered by Plan A as an employer match.

Historical trend information showing the System's progress in accumulating sufficient assets to pay benefits when due is presented in the System's December 31, 2008 comprehensive annual financial report. The district court does not guarantee the benefits granted by the System.

Effective April 10, 2000, the Parish established the Employee's Retirement System (ERS) to provide retirement benefits for certain employees who are not members of the Parochial Retirement System; a plan under IRS Code Section 457.

4. Pension Plan (Continued)

Under the ERS plan, the Parish contributes 13.25% of the employees' salaries to the 457 plan. Certain vesting requirements must be met and the contributions are invested at the direction of the employee.

5. Expenditures of the Judicial District Not Included in the Accompanying Financial Statements

The accompanying financial statements do not include certain salary expenditures for the district court paid out of the funds of the Caddo Parish Commission or directly by the state.

6. Litigation

There is no litigation pending against the Judicial Expense Fund at December 31, 2008.

7. Investments

Investments are included in the Caddo Parish Commission investment pool, consisting of Federal Home Loan Bank notes, FHMA notes and treasury notes. These investments are fully secured by pledged securities at December 31, 2008.

REQUIRED SUPPLEMENTARY FINANCIAL INFORMATION

JUDICIAL EXPENSE FUND FOR THE FIRST
JUDICIAL DISTRICT COURT, CADDO PARISH, LOUISIANA
BUDGETARY COMPARISON SCHEDULE-GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2008
(Unaudited)

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Criminal fees	74,000	71,608	(2,392)
Civil fees	90,000	109,559	19,559
Use of money and property- interest earnings	<u>13,000</u>	<u>26,239</u>	<u>13,239</u>
Total revenues	177,000	207,406	30,406
<u>Expenditures:</u>			
General government-judicial:			
Salaries and related benefits	34,326	30,717	3,609
Books and subscriptions	36,000	29,954	6,046
General administration	<u>89,106</u>	<u>72,918</u>	<u>16,188</u>
Total expenditures	<u>159,432</u>	<u>133,589</u>	<u>25,843</u>
<u>Excess of revenues over expenditures</u>	17,568	73,817	56,249
<u>Fund balance-beginning of year</u>	<u>486,734</u>	<u>550,052</u>	<u>63,318</u>
<u>Fund balance-end of year</u>	<u>504,302</u>	<u>623,869</u>	<u>119,567</u>

JUDICIAL EXPENSE FUND FOR THE FIRST
JUDICIAL DISTRICT COURT, CADDO PARISH, LOUISIANA
NOTES TO BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2008
(Unaudited)

1. Budget
Refer to Note 1 of the government-wide financial statements for details regarding the budget process.
2. Budget Variances
Actual revenues materially exceeded budgeted revenues as follows:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Civil fees	90,000	109,559	19,559
Use of money and property- interest earnings	13,000	26,239	13,239

The favorable variance for both civil fees and interest earnings are due to both being difficult to estimate, which generally causes significant differences in budgeted and actual revenues.

Budgeted expenditures materially exceeded actual expenditures as follows:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Books and subscriptions	36,000	29,954	6,046
General administration	89,106	72,918	16,188

The favorable variance for both books and subscriptions, and general administration are due to fewer expenses being incurred as expected.

OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS

June 19, 2009

Honorable Charles R. Scott, Chief Judge
Judicial Expense Fund for the First Judicial District Court
Caddo Parish, Louisiana

Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with Government Auditing Standards

We have audited the component unit financial statements of the Judicial Expense Fund for the First Judicial District Court as of and for the year ended December 31, 2008, and have issued our report thereon dated June 19, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Judicial Expense Fund for the First Judicial District Court's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the component unit financial statements but not for the purpose of expressing an opinion on the effectiveness of the Judicial Expense Fund's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Judicial Expense Fund's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's component unit financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the component unit financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Judicial Expense Fund 's component unit financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, and the Office of the Legislative Auditor, State of Louisiana, and is not intended to be and should not be used by anyone other than these specified parties.

Heard, McElroy & Vestal, LLP

JUDICIAL EXPENSE FUND FOR THE FIRST
JUDICIAL DISTRICT COURT, CADDOPARISH, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2008

We have audited the component unit financial statements of the Judicial Expense Fund for the First Judicial District Court as of and for the year ended December 31, 2008, and have issued our report thereon dated June 19, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the component unit financial statements as of December 31, 2008 resulted in an unqualified opinion.

Section I - Summary of Auditor's Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control - No material weakness or reportable condition was noted; no management letter was issued.

Compliance - No material noncompliance was noted.

b. Federal Awards - No major program.

Section II - Financial Statement Findings

No matters were reported.

JUDICIAL EXPENSE FUND FOR THE FIRST
JUDICIAL DISTRICT COURT, CADDO PARISH, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2008

No prior year findings were reported.